

AMENDED IN SENATE APRIL 27, 2004

AMENDED IN SENATE APRIL 12, 2004

SENATE BILL

No. 1711

Introduced by Senator Bowen

February 20, 2004

An act to amend Sections 3008 and 3050 of, and to repeal Article 3 (commencing with Section 3052) of Chapter 6 of Division 2 of, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 1711, as amended, Bowen. New Motor Vehicle Board.

(1) Existing law establishes a New Motor Vehicle Board in the Department of Motor Vehicles that regulates the activities or practices of a new motor vehicle dealer, manufacturer, manufacturer branch, distributor, distributor branch, or representative, as specified.

Existing law grants the board the power to hear and decide, on appeal, decisions of the department involving activities and practices regulated by the board. Existing law allows the board to resolve certain related disputed matters involving a member of the public and licensees governed by the board.

This bill would delete the board's appeals process and the power of the board to resolve related matters involving a member of the public and licensees governed by the board. *The bill would additionally require the board, upon the receipt of an inquiry from a member of the public concerning the filing of a complaint involving a new motor vehicle dealer, manufacturer, or representative, to inform that person, either in writing or verbally, of the other state agencies that assist in the resolution of consumer complaints and, upon request, provide specified*

information to that person. The bill would clarify that these provisions and dispute resolution provisions apply to licensees governed by the board.

(2) Existing law authorizes the board to direct the department to conduct investigations and make related reports, and authorizes the board to order the department to exercise its authority or power regarding the license of any new motor vehicle dealer.

This bill would authorize the board to request, rather than direct or order, respectively, the department to undertake these functions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3008 of the Vehicle Code is amended to
2 read:

3 3008. (a) All meetings of the board shall be open and public,
4 and all persons shall be permitted to attend any meeting of the
5 board, except that the board may hold executive sessions to
6 deliberate on the decision to be reached upon the evidence
7 introduced in a proceeding conducted in accordance with Chapter
8 5 (commencing with Section 11500) of Part 1 of Division 3 of Title
9 2 of the Government Code.

10 (b) Within the limitations of its powers and authority as herein
11 conferred, and in the event of disagreement between the board and
12 the director regarding the decision to be reached as herein
13 provided, the decision of the board shall be final.

14 SEC. 2. Section 3050 of the Vehicle Code is amended to read:

15 3050. The board shall do all of the following:

16 (a) Adopt rules and regulations in accordance with Chapter 3.5
17 (commencing with Section 11340) of Part 1 of Division 3 of Title
18 2 of the Government Code governing those matters that are
19 specifically committed to its jurisdiction.

20 (b) Consider any matter concerning the activities or practices
21 of a person applying for or holding a license as a new motor vehicle
22 dealer, manufacturer, manufacturer branch, distributor, distributor
23 branch, or representative pursuant to Chapter 4 (commencing with
24 Section 11700) of Division 5 submitted by ~~a new motor vehicle~~
25 ~~dealer, manufacturer, manufacturer branch, distributor, distributor~~
26 ~~branch, or representative licensed under that chapter~~ any person.



A member of the board who is a new motor vehicle dealer may not participate in, hear, comment, advise other members upon, or decide any matter considered by the board pursuant to this subdivision that involves a dispute between a franchisee and franchisor. After that consideration, the board may do any one or any combination of the following:

(1) Request that the department conduct an investigation of matters that the board deems reasonable, and make a written report on the results of the investigation to the board within the time specified by the board.

(2) Undertake to mediate, arbitrate, or otherwise resolve any honest difference of opinion or viewpoint existing between ~~licensees subject to this subdivision.~~ *a member of the public and a new motor vehicle dealer; manufacturer; manufacturer branch, distributor branch, or representative.*

(3) Request that the department exercise any and all authority or power that the department may have with respect to the issuance, renewal, refusal to renew, suspension, or revocation of the license of any new motor vehicle dealer, manufacturer, manufacturer branch, distributor, distributor branch, or representative as that license is required under Chapter 4 (commencing with Section 11700) of Division 5.

(c) Hear and decide, within the limitations and in accordance with the procedure provided, a protest presented by a franchisee pursuant to Section 3060, 3062, 3064, 3065, or 3065.1. A member of the board who is a new motor vehicle dealer may not participate in, hear, comment, advise other members upon, or decide, any matter involving a protest filed pursuant to Article 4 (commencing with Section 3060), unless all parties to the protest stipulate otherwise.

(d) *Upon the receipt of an inquiry from a member of the public concerning the filing of a complaint involving a new motor vehicle dealer, manufacturer, or a representative, the board shall inform that person, either in writing or verbally, of the other state agencies that assist members of the public in the resolution of consumer complaints. If the person requests, the board shall provide a list of relevant agencies and pertinent contact information.*

(e) Notwithstanding subdivisions (b) and (c), the courts have jurisdiction over all common law and statutory claims originally

1 cognizable in the courts. For those claims, a party may initiate an
2 action directly in any court of competent jurisdiction.
3 SEC. 3. Article 3 (commencing with Section 3052) of
4 Chapter 6 of Division 2 of the Vehicle Code is repealed.
5

O

